

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 61st LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT

Call to Order:

CHAIRMAN BILL MCCHESENEY, on January 16, 2009 at 8:25 A.M.,
in Room 317-B Capitol.

ROLL CALL

Members Present:

Rep. Bill McChesney, Chairman (D)
Sen. Ken (Kim) Hansen (D)
Rep. Walter McNutt (R)
Sen. Ryan Zinke (R)

Members Excused: Sen. Rick Laible, Vice Chairman (R)
Rep. Bill Nooney (R)
Rep. Jon C. Sesso (D)

Members Absent: None.

Staff Present: Shawn Graham, OBPP
Mitzi Grover, Committee Secretary
Matt Stayner, Legislative Branch

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary: State Auditor's Office

Executive Action: State Auditor's Office Decision Packages

00:02:25 Chairman McChesney

[EXHIBIT\(jgh10a01\)](#)

State Auditor's Office

Executive Action:

00:04:23 Matt Stayner, Legislative Fiscal Analyst

00:05:27 **Motion/Vote:** Sen. Hansen moved that **DP 101, DP 301, and DP 401** annual rent increase **BE ADOPTED** globally. Motion carried unanimously by voice vote. Sen. Laible, Rep. Sesso, Rep. Nooney voted aye by proxy.

Discussion:

00:07:33 Shawn Graham, Office of Budget and Program Planning

00:08:06 Mr. Stayner

00:08:31 Sen. Zinke

00:09:08 **Motion/Vote:** Sen. Hanson moved that **DP 0102** central management base adjustment **BE ADOPTED**. Motion failed 3-4 by voice vote. Sen. Laible, Rep. McNutt voted no. Sen. Laible, and Rep. Nooney voted no by proxy. Rep. Sesso voted aye by proxy.

00:10:17 **Motion:** Sen. Zinke moved that **DP 0103** Central Service Division new office space **BE ADOPTED**.

00:10:36 Sen. Zinke

00:11:12 Mr. Stayner

00:11:44 **Substitute Motion:** Sen. Zinke moved that **DP 0103** Central Service Division new office space be contingent on them moving **BE ADOPTED** as one time only.

00:11:55 Sen. Zinke withdrew his motion.

00:13:09 **Motion/Vote:** Sen. Zinke moved that **DP 0103, DP 0311, and DP 0404** new office space **BE ADOPTED** as one time only and be restricted to the move. Motion carried 6-1 by voice vote. Sen. Laible and Rep. Nooney vote aye by proxy. Rep. Sesso voted no by proxy.

00:14:27 Chairman McChesney

00:15:57 Mr. Stayner

00:16:09 **Motion/Vote:** Sen. Hanson moved **DP 0302** Insurance Exam Bureau annualize captive base **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Rep. Nooney and Sen. Laible voted by proxy.

00:16:21 Sen. Zinke

00:17:19 **Motion/Vote:** Sen. Zinke moved **DP 0303** insurance rates base adjustment **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Rep. Nooney and Sen. Laible voted by proxy.

00:18:10 **Motion/Vote:** Sen. Zinke moved **DP 0304** insurance legal base adjustment **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Rep. Nooney, Sen. Laible voted aye by proxy.

Discussion:

00:18:48 Sen. Zinke

00:19:09 Monica Lindeen, State Auditor

00:19:26 Sen. Zinke

00:19:30 Chairman McChesney

00:19:48 Ms. Lindeen

00:20:01 Mr. Stayner

00:21:28 Chairman McChesney

00:21:41 **Motion/Vote:** Sen. Hanson moved **DP 0305** insurance investigations base adjustment **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Sen. Laible and Rep. Nooney voted by proxy.

00:22:19 **Motion/Vote:** Sen. Zinke moved that **DP 0306** insurance forms bureau base adjustment **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Sen. Laible and Rep. Nooney voted by proxy.

00:23:18 **Motion/Vote:** Sen. Zinke moved that **DP 0307** insurance policyholder services bureau base adjustment **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Sen. Laible and Rep. Nooney voted aye by proxy.

00:24:14 **Motion/Vote:** Sen. Zinke moved that **DP 0308** insurance contract examinations **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Rep. Nooney and Sen. Laible voted by proxy.

00:24:32 Sen. Hanson
00:24:58 Ms. Lindeen
00:25:01 Sen. Zinke
00:25:47 Ms. Lindeen
00:26:03 Mr. Graham
00:27:32 Mr. Stayner
00:28:29 Sen. Zinke
00:29:08 Chairman McChesney

00:29:22 **Motion/Vote:** Sen. Zinke moved that **DP 0309** insurance captive promotion **BE ADOPTED**. Motion failed 2-5 by roll call vote. Sen. Hansen and Rep. Sesso voted aye. Sen. Laible and Rep. Nooney voted no by proxy.

00:29:35 Sen. Zinke
00:30:05 Ms. Lindeen
00:30:58 Sen. Zinke
00:31:03 Ms. Lindeen
00:31:12 Steve Matthews, State Auditor's Office
00:32:09 Sen. Zinke
00:32:31 Mr. Matthews

00:34:23 **Motion/Vote:** Sen. Zinke moved **DP 0310** insurance licensing base adjustment **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Sesso, Rep. Nooney and Sen. Laible vote aye by proxy.

00:35:23 **Motion/Vote:** Sen. Zinke moved that **DP 0317** insurance forms analyst FTE **BE ADOPTED**. Motion carried 4-3 by voice vote. Sen. Zinke voted no. Rep. Nooney, and Sen. Laible voted no by proxy. Rep. Sesso voted aye by proxy.

00:35:40 Sen. Zinke
00:35:51 Ms. Lindeen

00:37:01 **Motion/Vote:** Sen. Zinke moved that **DP 0318** Restore Insure Montana Funding **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

Discussion:

00:38:02 Sen. Zinke
00:40:22 Mr. Graham
00:41:05 Mr. Stayner
00:42:19 Chairman McChesney
00:43:04 Sen. Zinke
00:43:50 Ms. Lindeen
00:43:55 Rep. Sesso entered.

00:44:01 Sen. Laible entered.

00:44:44 Ms. Lindeen

00:44:53 Sen. Zinke

00:45:51 **Motion/Vote:** Sen. Zinke moved that a companion bill be made for **DP 0318**. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

00:46:37 **Motion/Vote:** Sen. Zinke moved that **DP 0319** restore Montana Comprehensive Health Association (MCHA) funding **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

00:48:45 **Motion/Vote:** Sen. Zinke moved that **DP 0313** insurance legal new FTE **BE ADOPTED**. Motion failed 2-5 by roll call vote. Sen. Hansen and Rep. Sesso voted aye. Rep. Nooney voted no by proxy.

00:49:00 Sen. Zinke

00:49:04 Ms. Lindeen

00:50:34 Sen. Zinke

00:50:44 Ms. Lindeen

00:51:05 Chairman McChesney

00:51:29 Ms. Lindeen

00:52:21 Chairman McChesney

00:52:29 Ms. Lindeen

00:52:36 Sen. Laible

00:53:42 Eileen Rose, State Auditor's Office

00:53:59 Sen. Laible

00:55:06 Ms. Lindeen

00:56:15 Sen. Laible

00:56:24 Ms. Lindeen

00:56:46 Chairman McChesney

00:59:00 **Motion/Vote:** Sen. Laible moved that **DP 0314** insurance traditional exams FTE **BE ADOPTED**.

00:59:10 Sen. Laible withdrew his motion.

00:59:20 **Motion/Vote:** Sen. Laible moved that **DP 0314** insurance traditional exams FTE **BE ADOPTED** with no funding. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

Discussion:

00:59:50 Ms. Lindeen

01:00:20 Mr. Matthews

01:01:27 Sen. Laible

01:01:33 Mr. Matthews
01:01:54 Sen. Laible
01:02:08 Mr. Matthews
01:02:13 Sen. Laible
01:02:16 Mr. Matthews
01:02:25 Sen. Laible
01:03:02 Mr. Matthews
01:03:20 Sen. Laible
01:03:24 Mr. Matthews
01:03:42 Sen. Laible
01:03:55 Mr. Matthews
01:04:08 Rep. Sesso
01:04:40 Mr. Stayner
01:05:10 Sen. Zinke
01:05:40 Mr. Stayner
01:05:48 Greg DeWitt, Legislative Fiscal Analyst
01:07:17 Sen. Laible
01:07:41 Mr. Graham
01:08:20 Amy Sassano, OBPP
01:09:44 Sen. Laible
01:10:23 Ms. Sassano
01:10:57 Sen. Laible
01:11:23 Ms. Sassano
01:12:06 Sen. Laible
01:12:13 Ms. Sassano
01:12:21 Mr. Stayner
01:13:41 Sen. Laible
01:14:14 Mr. Stayner
01:14:19 Sen. Zinke
01:15:04 Sen. Laible
01:15:16 Ms. Lindeen
01:15:19 Sen. Zinke

01:17:18 **Motion/Vote:** Chairman McChesney moved that **DP 0315**
insurance policyholder Service Bureau Claims Examiner
BE ADOPTED. Motion carried 4-3 by voice vote. Sen.
Laible, and Sen. Zinke voted no. Rep. Nooney voted no
by proxy.

01:17:57 Chairman McChesney
01:18:26 Carol Roy, Chief of Market Appliance, State Auditor's
Office
01:19:37 Chairman McChesney
01:19:43 Ms. Roy
01:19:51 Chairman McChesney
01:19:55 Ms. Roy
01:20:26 Sen. Laible
01:20:57 Ms. Roy
01:21:00 Sen. Zinke
01:21:22 Ms. Roy

01:21:37 Sen. Zinke

01:21:51 Ms. Roy

01:22:33 Sen. Zinke

01:22:48 Ms. Roy

01:24:22 **Motion/Vote:** Sen. Zinke moved that **DP 0316** insurance rates actuary analyst FTE **BE ADOPTED**. Motion failed 1-6 by voice vote. Sen. Hansen voted aye. Rep. Nooney voted no by proxy.

01:27:29 **Motion/Vote:** Sen. Laible moved that **DP 0402** securities exams base adjustments biennium **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

01:28:36 **Motion/Vote:** Sen. Laible moved the **DP 0403** securities base adjustment **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

01:30:34 Mr. Stayner

01:35:12 Rep. Sesso

01:36:59 Mr. Stayner

01:41:13 **Motion/Vote:** Sen. Zinke moved that **Proposal 1** personal services market adjustment **BE ADOPTED**. Motion failed 1-6 by voice vote. Sen. Hansen voted aye. Rep. Nooney voted no by proxy.

01:37:57 Rep. Sesso

01:38:06 Sen. Zinke

01:38:28 Mr. Stayner

01:39:28 Sen. Laible

01:42:05 **Motion/Vote:** Sen. Zinke moved that **Proposal 2** transfer of staff into the Central Services Division from Securities and Insurance Division **BE ADOPTED**. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

01:42:31 **Motion:** Sen. Laible moved that **Proposal 3** expansion of Insure Montana and add related FTE **BE ADOPTED**.

Discussion:

01:43:05 Sen. Laible

01:43:09 Mr. Stayner

01:44:29 Sen. Laible

01:44:43 Mr. Stayner

01:44:50 Sen. Laible

01:45:23 Mr. Stayner
01:45:42 Sen. Zinke
01:46:28 Ms. Lindeen
01:47:10 Mr. Stayner
01:48:13 Rep. Sesso
01:49:10 Ms. Sassano
01:50:28 Rep. Sesso
01:50:46 Chairman McChesney
01:50:57 Rep. Sesso
01:51:01 Ms. Lindeen
01:51:47 Chairman McChesney
01:52:05 Sen. Zinke withdrew his motion.
01:54:08 Mr. Stayner
01:55:18 Rep. Sesso
01:56:34 Ms. Lindeen
01:57:19 Rep. Sesso

01:58:07 **Motion/Vote:** Sen. Zinke moved **Proposal 3 BE ADOPTED**, and add a FTE with the proviso that a companion bill be added with it that expresses verification of new addressees. This language is to be added to the committee bill. Motion carried 5-2 with roll call vote. Sen. Laible and Rep. McNutt voted no. Rep. Nooney voted aye by proxy.

01:58:20 Chairman McChesney stated as a point of order for the committee that motion on **Proposal 3** failed because this was a companion bill and would need a super majority and would require six aye votes. Since there were only five aye votes, motion failed.

02:04:14 Chairman McChesney

02:04:39 **Motion/Vote:** Sen. Laible moved **TO RECONSIDER** the **Proposal 3**. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

02:05:26 **Motion/Vote:** Sen. Zinke moved that **Proposal 3** expansion of Insure Montana and add related FTE **BE ADOPTED**. Motion carried 5-2 by roll call vote. Sen. Laible and Rep. McNutt voted no. Rep. Nooney voted aye by proxy.

02:06:35 **Motion/Vote:** Sen. Zinke moved to approve an amendment to the existing companion bill to include expansion of Insure Montana **Proposal 3** and add related FTE for verification of new attendees. Motion carried unanimously by voice vote. Rep. Nooney voted by proxy.

02:08:38 **Motion/Vote:** Chairman McChesney moved that **Proposal 4** new FTE for Insure Montana **BE ADOPTED**. Motion failed unanimously by voice vote. Rep. Nooney voted by proxy.

02:09:12 **Motion/Vote:** Sen. Zinke moved that **Proposal 6** new FTE for captive insurance exams **BE ADOPTED**. Motion carried 5-2 by voice vote. Sen. Zinke voted no. Rep. Nooney voted no by proxy.

02:09:32 Sen. Laible

02:09:59 Ms. Lindeen

02:11:06 Sen. Laible

02:12:25 Chairman McChesney

02:12:31 Rep. Sesso

02:13:13 Chairman McChesney

02:13:30 Sen. Laible

ADJOURNMENT

02:13:39 Adjournment 10:35.

MITZI GROVER, Secretary

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Additional Documents:

EXHIBIT ([jgh10aad.pdf](#))